

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A85-594
)	
AMFAC PROPERTY DEVELOPMENT CORP.)	AMFAC PROPERTY
)	DEVELOPMENT CORP.
To Amend the Agricultural Land)	
Use District Boundary into the)	
Urban Land Use District for)	
approximately 577.21 acres at)	
Aualii, Waikele, Ewa, Oahu,)	
Hawaii, Tax Map Key Nos.:)	
9-4-02:03, 10, 11, 31, 41 and)	
Portion of 12; 9-4-07:10, 12,)	
13, and 32)	
_____)	

FINDINGS OF FACT,
CONCLUSIONS OF LAW AND
DECISION AND ORDER

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A85-594
AMFAC PROPERTY DEVELOPMENT CORP.)	
To Amend the Agricultural Land)	AMFAC PROPERTY
Use District Boundary into the)	DEVELOPMENT CORP.
Urban Land Use District for)	
approximately 577.21 acres at)	
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Portion of 12; 9-4-07:10, 12,)	
13, and 32)	
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FINDINGS OF FACT, CONCLUSIONS
OF LAW AND DECISION AND ORDER

Amfac Property Development Corp., a Hawaii corporation, (hereinafter referred to as "Petitioner") filed this Petition on March 29, 1985, pursuant to Chapter 205, Hawaii Revised Statutes, and the Rules of Practice and Procedure of the Land Use Commission, State of Hawaii, to amend the Land Use district boundary for approximately 577.21 acres of land situate at Aualii, Waikele, Ewa, Oahu, Hawaii, Oahu Tax Map Key Nos: 9-4-02:3, 10, 11, 31, 41 and portion of 12 and 9-4-7:10, 12, 13 and 32 (hereinafter referred to as the "Property"), from the Agricultural District to the Urban District for a residential community. The Land Use Commission (hereinafter referred to as "Commission") having heard and

examined the testimony, evidence, argument of counsel, the proposed findings of fact and conclusions of law, presented at the hearing, hereby makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. The Commission held hearings on the Petition on September 10 and 11, 1985, pursuant to notice published in the Honolulu Star-Bulletin on August 2, 1985.

2. Mililani/Waipio/Melemanu Neighborhood Board No. 25 filed a Petition for Intervention on June 10, 1985, which Petition the Commission granted on October 7, 1985.

3. On September 10, 1985, C.O. "Andy" Anderson, Larry Tang, Calvin Kawamoto, Robert Hirogama, and Miles Ichinose testified as public witnesses.

4. On September 6, 1985, Intervenor filed a motion for site inspection, which motion the Commission denied on October 7, 1985.

DESCRIPTION OF THE PROPERTY

5. The Property is located mauka of H-1 Freeway between Waikele/Kipapa Gulch and Kamehameha Highway. The Property is north of Waipahu Town and Pearl Harbor, west of Waipio-Gentry, Crestview and Seaview residential subdivisions, and south of lands in pineapple cultivation.

Oahu Sugar Company, Limited, ("Oahu Sugar") a subsidiary of Amfac Hawaii, Inc., previously cultivated a major

portion of the Property in sugar, but withdrew the Property from active sugar cultivation in late 1982. Currently, Oahu Sugar retains approximately 200 acres of the Property in ratoon sugar cane. Amfac Hawaii, Inc. also presently uses portions of the Property for a nursery and for housing for the plantation manager and a few Oahu Sugar supervisory employees.

6. Amfac Property Investment Corp. owns the Property in fee except for Oahu Tax Map Key Nos.: 9-4-02: portion of 12 and 9-4-07:10 which the United States of America owns. The United States of America, through the Department of the Navy, has authorized and consented to the Petition to reclassify its lands from the Agricultural to the Urban District by letter dated March 26, 1985.

The Navy-owned portion of the Property is used as an access road to the Waikele Branch of the Naval Magazine, Lualualei.

7. The elevation of the Property ranges from 160 feet to 260 feet above sea level. Slopes are generally four to six percent.

8. The United States Department of Agriculture in its Soil Conservation Service Soil Survey Report for Oahu classifies approximately 90 percent of the soils within the Property as Molokai silty clay loam (Mu), and the remaining ten percent as rock land (rRK).

Molokai silty clay loam (Mu) is a reddish-brown soil formed in material weathered from basic igneous rock. In a

representative profile the soil layer is about 15 inches. The subsoil, about 57 inches thick, is dark reddish-brown silty clay loam that has prismatic structure. The substratum is soft weathered rock. This soil is used for sugarcane, pineapple, and pasture.

Rock land (rRK), found along the edges of Waikele/Kipapa Gulch, is made up of areas where exposed rock covers 25 to 90 percent of the surface. Rock outcrops and very shallow soils are the main characteristics. Rock land has high shrink-swell potential. Rock land is used for pasture, wildlife habitat, water supply, and urban development.

9. The University of Hawaii's Land Study Bureau classifies approximately 80 percent of the Property that was in sugar cultivation as Master Productivity Rating "A", and the remaining 20 percent as "B".

10. The State Department of Agriculture ("DOA") in its Agricultural Lands of Importance to the State of Hawaii (ALISH) classification system, classifies the Property as Prime Agricultural Lands.

11. The Federal Insurance Administration's Flood Insurance Study conducted for the City and County of Honolulu indicates that most of the Property is within zone D, or area of undetermined but possible flood hazards.

PROPOSAL FOR DEVELOPMENT

12. Petitioner proposes to develop a planned community consisting of a residential subdivision, a golf course, a

business center, a commercial center, and open space.

Petitioner also proposes to provide recreation areas, utilities and roadways.

Petitioner, in its Waikele Master Plan, identified as Petitioner's Exhibit G-1, proposes to provide a substantial mix of residential dwelling units including a significant amount targeted for middle income purchasers and for the affordable housing market.

13. Petitioner proposes to develop approximately 2,709 residential units on approximately 310 acres in the following mix of unit types:

<u>Density</u>	<u>Dwelling Units Per Acre</u>	<u>Unit Type</u>	<u>No. of Units</u>	<u>Price Range (1983 dollars)</u>
low	4.96	Single family detached and zero lot line homes on lot sized from 5,000 to 10,000 square feet	868	\$ 120,000 - 300,000
medium	9.52	townhouses, duplexes and quadruplexes on lots sized at 3,400 square feet	1,029	90,000 - 200,000
high	22.22	garden type apartments and buildings not exceeding three stories	812	80,000 - 200,000

14. Petitioner proposes to sell ten percent of the housing units to purchasers of low and moderate income. Petitioner proposes to sell these units at prices starting from approximately \$70,000 in 1983 dollars.

15. Petitioner proposes to develop an eighteen hole, regulation size, privately-owned golf course on 136 acres of land extending throughout the Property. The golf course will be open to the public and will include a club house with meeting rooms and food service for community functions.

Petitioner proposes to site the golf course to include the gulch areas in order to provide viewplanes for bordering residential units.

Petitioner proposes to charge green fees at rates competitive with fees charged by Honolulu International Country Club, Kunia Golf Course and Mililani Golf Course.

16. Petitioner proposes to develop a business center on approximately 42 acres designed in an office park setting. Petitioner proposes to lease the business center for offices, research activities, telecommunications/data processing, office support services and corporate headquarters. Petitioner proposes to cluster buildings around a central plaza to create visual prominence and identity. Petitioner proposes to limit buildings in the office park to six stories.

17. Petitioner proposes to develop a 150,000-square foot village commercial center on approximately 12 acres to serve the residents of the proposed project. Petitioner proposes to lease large retail spaces in the commercial center to supermarkets, drug stores and small retail spaces to banks, professional offices, restaurants and convenience stores.

18. Petitioner also proposes to develop a recreation center on approximately 13 acres to be located adjacent to the commercial center and office park. Petitioner proposes to include in the recreation center, athletic fields, tennis courts and a "community function" building for community meetings and activities and other community services.

19. Petitioner will also dedicate neighborhood parks sites, police and fire protection station sites to the City and County of Honolulu ("City"), and a six-acre school site to the Department of Education. Petitioner will also dedicate approximately 57 acres of the Property for roadways and infrastructure to the City.

20. Petitioner estimates the cost for general planning and engineering services, and for constructing on and off site infrastructure improvements for the proposed development will be approximately \$56,600,000.00. Petitioner's estimate excludes the cost of land, financing, general corporate overhead, and property and income taxes.

21. Petitioner intends to sell the residential areas in large parcels to individual developers who will build and sell houses in accordance with Petitioner's covenants, conditions, and restrictions. Petitioner may construct either or both the village commercial center and the office park.

22. Petitioner projects that it will construct and complete the proposed Waikele development within eight years

after receiving all government approvals; but will commence site work on all of the Property prior to the end of five years.

PETITIONER'S FINANCIAL CAPABILITY TO
UNDERTAKE THE PROPOSED DEVELOPMENT

23. Amfac Property Development Corp.'s balance sheet as of December 31, 1984 lists total assets of approximately \$29,389,000.00, liabilities of approximately \$21,009,000.00, and net worth of approximately \$8,380,000.00.

STATE AND COUNTY PLANS AND PROGRAMS

24. The Property is located within the State Land Use Agricultural District as reflected on Land Use District Boundary Map 0-9, Waipahu.

25. On May 29, 1985, the City amended its Central Oahu Development Plan by designating the Property as a planned community containing a mixture of residential uses, low density apartment use, commercial uses, public facility use, quasi public facility uses, parks and a golf course. The City zoning designation for the Property is Agriculture AG-1.

26. The Property is not within the City's Special Management Area. However, the Property is within the Coastal Zone Management Area.

NEED FOR GROWTH AND DEVELOPMENT

27. Petitioner's consultant Williams-Kuebelbeck and Associates, Inc., conducted a market feasibility analysis of the proposed development in February, 1983, and a revision in

July, 1984, and projected that the proposed development could capture eight percent of the annual demand of 4,400 residential units for Oahu, a potential demand exists to support 500,000 square feet of commercial space by 1990 and a potential demand exists for 630,000 square feet of office space at the proposed office park for 1985 to 2000.

28. Residential Demand - Petitioner estimates the proposed development can absorb 330 residential units per year over an eight-year period. Petitioner projects a total demand of 74,700 residential units for Oahu between 1983 to 2000 with 26,000 units to be required in the Waipahu-Waipio market area. The average annual housing demand is based on the State Department of Planning and Economic Development's population growth projections for the Waipahu-Waipio area:

<u>Time Period</u>	<u>Number of Units Demanded Per Year</u>
1983 to 1985	1,620
1985 to 1990	1,656
1990 to 1995	1,634
1995 to 2000	1,267

29. Commercial Space - Petitioner projects a total demand for additional retail space of 1,614,000 square feet between 1983 to 2000 and that its regional mall can capture approximately 500,000 square feet in the proposed development by 1990. However, Petitioner proposes to limit its commercial space to 150,000 square feet to avoid competition with the Waipahu commercial district.

30. Office - Petitioner estimates a total demand for 6,375,000 square feet of office space for Oahu between 1985 to 2000. Petitioner projects the Waipahu-Waipio market area can capture approximately 1,275,000 square feet or twenty percent of this demand. Petitioner anticipates the proposed development can capture approximately 630,000 square feet of office space between 1985 and 2000 due to the Property's strategic location and excellent visibility.

31. Petitioner believes there is a significant demand for the proposed golf course from by the Waipahu community and other Honolulu residents.

IMPACT UPON RESOURCES OF THE AREA

Agricultural Resources

32. In response to its \$5 million pretax and preinterest loss in 1981, Oahu Sugar developed a survival plan to reduce the size of its plantation from approximately 18,500 to less than 14,000 cultivated acres. Oahu Sugar decided to fallow the Property (as well as other lands) for the following reasons: (1) close proximity to urban areas creates operational problems for dust, spray and burning control, (2) accessibility to surrounding areas pose serious security and vandalism problems, (3) proximity to urban areas eliminates the possibility of growing crops such as papaya, for security and vandalism considerations, (4) lack of agricultural capital intensive infrastructure such as a drip irrigation system and

(5) the high cost of maintaining the three separate pumping stations comprising the existing water system.

33. Oahu Sugar estimated the cost to irrigate the Property with basal water is approximately \$300 per million gallons, compared to Oahu Sugar's cost to irrigate other fields with Waiahole Ditch water of approximately \$30 per million gallons.

34. Oahu Sugar considered installing more efficient and cost-productive drip irrigation on the Waikele fields. However, projected return did not justify the \$1,500.00 cost per acre of installing a drip irrigation system. Oahu Sugar decided to fallow its Waikele fields because the Waikele fields were isolated from other fields. Oahu Sugar could not economically maintain the Property's cane road infrastructure and the plantation's separate irrigation facilities, pipeline systems and water pumps.

35. Oahu Sugar believes that five important conditions must be met in order to maintain Oahu Sugar's continued viability through 1995:

1. Containment of Oahu Sugar's costs;
2. Continued federal support in the range of the 1981 Farm Act Subsidies and import quotas on foreign sugar or its equivalent;
3. Urbanization of the Property to generate income and supply new capital to support Oahu Sugar and other Amfac Hawaii, Inc. agriculture business activities.

4. Continued support from labor unions to increase productivity and reduce cost; and
5. Sufficient allocation of water from the Pearl Harbor groundwater aquifer for Oahu Sugar and its agriculture business endeavors and development of the Property.

36. In addition to the Property, Oahu Sugar has decided to fallow a 200-acre portion to mitigate potential erosion problems, as well as areas in Waiawa, Palehua and the fringes of the West Beach/Ewa Plains as part of the Oahu Sugar survival plan. If Oahu Sugar should close all operations, approximately \$35,100,000.00 and approximately 600 direct jobs may be lost to the State economy.

37. Petitioner estimates the Property constitutes less than three percent of the lands under control of Oahu Sugar and that the development of the Property will reduce the amount of "Prime Agricultural Land" on Oahu by less than one percent and statewide by less than two-tenths of a percent.

Fauna and Flora

38. Petitioner's environmental assessment ("EA") for the Property indicated that no endangered birds or mammals occupy the Property and that Petitioner does not anticipate the proposed development will have a significant impact on animals inhabiting the Property.

39. Petitioner's EA also indicated that sugar cane is the dominant plant cover on the Property and there are no

endangered or threatened floral species on the Property.

Recreational Facilities

40. Petitioner proposes to build a golf course and dedicate other recreational amenities, including a community recreational center and neighborhood parks, to the City.

Scenic Resources

41. Petitioner anticipates that building structures on the Property will affect mauka and makai views. Petitioner will implement careful architectural design and site planning measures to minimize some adverse impact to view planes.

Archaeological/Historical Resources

42. Petitioner does not believe that the Property contains significant archaeological or historic remains since the Property has been in sugar cane cultivation since the late 1890's.

Soils and Drainage

43. Petitioner does not anticipate significant adverse impacts to the proposed development from unstable soil conditions.

44. Petitioner projects that the proposed development will increase storm run-off into Waikele Stream by one and seven-tenths percent and concluded that the increase will have an insignificant effect on present seasonal flooding at the Waipahu Cultural Garden Park.

Air Quality

45. Petitioner's air quality consultant Barry D. Root prepared an air quality assessment for the Property, in which he concluded that except for short-term dust emissions during the construction phase of the proposed development, he did not expect significant direct air quality impacts.

Noise

46. Petitioner anticipates increased noise level to emanate from within the proposed development and from outside sources such as from highway and agricultural activities. Petitioner will prepare a noise study and will comply with all applicable governmental regulations in order to minimize noise problems.

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

47. The Property is accessible from Kamehameha Highway over cane haul roads and the Naval Access Road. Manager's Drive on the Property's western boundaries crosses H-1 Freeway and provides an access to the manager's residence and the nursery. The Waiawa and Kunia Interchanges provides access to H-1 Freeway from the general area.

48. Petitioner proposes to construct three major improvements to the roadway system: (1) The Paiwa Street interchange to provide direct access onto the H-1 Freeway from the Property; (2) the widening of Kamehameha Highway fronting the Property to provide for two through lanes and exclusive

left-turn lanes for both directions of travel; and (3) the extension of Manager's Drive across the Property as a collector road to Kamehameha Highway--including improvements to Manager's Drive Bridge.

49. Petitioner proposes to fund construction costs on its own or by seeking County, State, or Federal funds that may be available for the proposed improvements to Paiwa Street, Kamehameha Highway, and Manager's Drive and Bridge.

50. Petitioner's proposed internal improvements will include the development of Paiwa Street to a wide parkway, the extension of Manager's Drive to Kamehameha Highway, widening and improving Manager's Drive Bridge and construction of a central loop road to accommodate traffic movement to the Waikele Village Commercial Center.

51. Petitioner's consultant, Austin Tsutsumi & Associates, Inc. ("Austin Tsutsumi"), analyzed the impact of traffic generated from the proposed development and assessed the existing conditions. Austin Tsutsumi concluded that with proposed improvements to the area's highway system, the development of the Property will result in an increase in overall traffic demand due to site-generated traffic, the diversion of existing traffic patterns and will relieve demand at certain stress points but increase demand at other points.

52. In addition to the improvements proposed in Finding of Fact No. 48, Austin Tsutsumi recommended that

Petitioner widen Waipahu Street to include an exclusive left turn lanes at cross streets and allow mass transit buses to pull out of the main stream of traffic, realign Waipahu Street by providing a bypass road and improve the Paiwa Street right-of-way.

53. Furthermore, the State Department of Transportation plans to add an in-bound lane into the H-1 Freeway heading east at the Waiawa Interchange and another interchange to access H-2 Freeway at Waipio on Mililani Cemetery Road.

54. Petitioner believes that the proposed improvements will be adequate to accommodate the proposed development's impacts on the surrounding area's traffic circulation and that the proposed development by itself will not be the sole cause of rush hour traffic congestion on the surrounding area's transportation network.

Water Service

55. Petitioner projects that the average daily water consumption for the proposed development including the proposed golf course will be approximately 2.1 million gallons per day (MGD). Petitioner proposes to use two existing wells and plans to construct another well, storage tanks, transmission lines and two one-million gallon reservoirs to serve the proposed development.

56. The Board of Water Supply ("BWS") did not object to the Petition, and indicated that there is sufficient water

available for the proposed development.

57. On July 11, 1985, the Board of Land and Natural Resources ("BLNR") allocated 11.8 MGD of water to the BWS to satisfy water demand for the next five years. Of that amount, BLNR allocated 1.2 MGD to the proposed development upon the condition that the BWS would subsequently request additional water allocations from BLNR to meet water needs beyond 1990.

Drainage Facilities

58. The Property will be served by three existing drainage systems located along the makai boundary of the Property: (1) a 48-inch drainage pipe system in Paiwa Street, (2) a concrete rectangular channel and (3) two 84-inch corrugated culverts. All three drainage systems are connected to the Kalu Drainage Channel, which discharges collected runoff into Pearl Harbor.

59. Petitioner proposes to construct a new box culvert to accommodate any additional storm runoff and is currently preparing a drainage master plan in coordination with the City to mitigate any potential damages from flooding on the Property.

Solid Waste

60. The City will dispose solid waste from the Property at the Waipahu incinerator.

Sewage Treatment and Disposal

61. Petitioner projects that the proposed development will generate approximately 1.49 MGD of wastewater.

Approximately 0.71 MGD will be collected on-site and discharged into an existing 18-inch sewer trunk main located within the eastern portion of the Property. Approximately 0.78 MGD of sewage from the western portion will be discharged into existing 30- and 15-inch sewer mains located in Paiwa Street at the H-1 Freeway. The City will pump sewage from the Property to the Waipahu Sewage Pump Station and to the Honouliuli Wastewater Treatment Plant for treatment and discharge into the ocean off Ewa.

Schools

62. The Department of Education serves Waipahu with three elementary schools, Waipahu Intermediate School and Waipahu High School. Petitioner projects that only secondary students can be accommodated by existing facilities. Elementary schools in the area are operating at capacity, and will not accommodate additional elementary students unless additional facilities are made available to accommodate the development. Petitioner proposes to set aside a six-acre site on the Property for acquisition by the Department of Education.

Medical Facilities

63. Waipahu Clinic and Kaiser Clinic medical facilities serve Waipahu. In addition, St. Francis Hospital proposes to develop a full service hospital in Waipahu.

Electrical Utility Services

64. Hawaiian Electric Company, Inc. will provide electric power service to the Property from its existing nearby

facilities. Hawaiian Telephone Company will provide facilities to serve the communication requirements of the proposed development.

Parks and Recreational Services and Facilities

65. Petitioner proposes to construct an 18-hole golf course open for public use, a 13-acre community recreation center and two neighborhood parks totaling nine acres. Petitioner will open recreational facilities to the public.

Police Protection Service

66. The Honolulu Police Department will need additional police officers to serve the proposed development's population. The City's commitment to provide increased police services will require additional public expenditures for facilities and salaries. However, Petitioner proposes to provide a site for a police facility on the Property perhaps in conjunction with a fire station.

Fire Protection Service

67. The City will serve the Property from a fire station located on Leonui Street, Waipahu. Petitioner proposes to provide a site on the Property for acquisition by the City for a fire station site.

CONTIGUITY OF THE PROPOSED RECLASSIFICATION

68. The Property is adjacent to the Waipahu and Waipio-Gentry Urban Districts. The H-1 Freeway and Kamehameha Highway separate the Property from the existing Urban Districts.

STANDARDS FOR URBAN RECLASSIFICATION

69. The Property is proximate to the Waipahu commercial and residential district and the residential subdivisions of Village Park, Crestview-Seaview, and Gentry Waipio.

70. Petitioner proposes to provide affordable housing by selling ten percent of the proposed residential units to purchasers of low and moderate income to assist in alleviating demand for housing for low and moderate income residents.

71. The proposed reclassification will result in the reduction of nearly 400 acres of prime agricultural land and is an essential element of the Oahu Sugar Survival Plan.

72. Petitioner will upgrade the existing water and drainage systems to State and City standards.

73. Petitioner will provide a school site, police and fire station sites, recreational facilities and attendant commercial and recreational uses within the Property.

74. The addition of the projected Waikele population of over 8,100 individuals to the estimated 1984 population for Central Oahu (114,800) will increase the area's population to 122,900. This projected total is within the population range of growth provided for in the City's General Plan for the year 2005. Petitioner's proposed reclassification is consistent with the City's General Plan and the Central Oahu Development Plan.

CONFORMANCE WITH THE HAWAII STATE PLAN

75. Petitioner's proposed reclassification generally conforms to the following objectives and policies of the Hawaii State Plan:

Objectives and Policies

Section 7 (a)(1)	"Increased viability in sugar and pineapple industries."
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The reclassification is necessary to maintain the economic viability of Oahu Sugar Company.

76. Section 17 (b)(3)	"Encourage a reasonable distribution of financial responsibilities for transportation among participating governmental and private parties."
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Petitioner will fund, in addition to available governmental assistance, the construction of a new interchange for the H-1 Freeway located at Paiwa Street, improvements to Kamehameha Highway, and improvement of the existing Manager's Drive Bridge.

77. Section 19 (a)(1)	"Greater opportunities for Hawaii's people to secure reasonably priced, safe, sanitary, livable homes located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals."
Section 19 (a)(2)	"The orderly development of residential areas sensitive to community needs and other land uses."

Section 19 (b)(2) "Stimulate and promote feasible approaches that increase housing choices for low-income, moderate-income, and gap-group households."

Section 19 (b)(5) "Promote design and location of housing developments taking into account the physical setting, accessibility to public facilities and services, and other concerns of existing communities and surrounding areas."

Petitioner's proposed development will complement the existing development of residential subdivisions and Waipahu's commercial district. In addition, Petitioner proposes to provide a variety of housing accommodations, with approximately 45 percent of housing units to be affordable to middle-income households and ten percent of all housing to be affordable to low and moderate income Hawaii residents.

78. Section 21 (b)(2) "Ensure the provision of adequate and accessible educational services and facilities that are designed to meet individual and community needs.

Petitioner will provide a 6-acre site for an elementary school.

79. Section 23 (a) "Planning for the State's socio-cultural advancement with regard to leisure shall be directed towards achievement of the objective of the adequate provision of resources to accommodate diverse cultural, artistic, and

recreational needs for present and future generations."

Section 23 (b)(2)

"Provide a wide range of activities and facilities to fulfill the recreation needs of all diverse and special groups.

Section 23 (b)(7)

"Provide adequate and accessible physical fitness programs to promote the physical and mental well-being of Hawaii's people."

Petitioner proposes to provide a privately owned golf course open to the public, a 13-acre community recreation center with major sports facilities including a swimming pool, athletic fields, tennis courts and community function building, and two neighborhood parks.

80. Section 104 (b)(2)

"Plan the development and availability of land and water resources in a coordinated manner so as to provide for the desired levels of growth in each geographical area."

Petitioner's proposed development is consistent with the City's Central Oahu Development Plan and General Plan's pattern of population distribution.

81. Section 104 (b)(5)

"Encourage CIP expenditures, public services, and housing developments that recognize the needs and preferences of the counties."

Petitioner will work with the City in meeting the housing needs of low- and moderate- income households.

82. Section 104 (c)(7)

"Seek participation from the private sector for the cost of building infrastructure, utilities, and open spaces."

Petitioner has proposed to allocate at least 25 percent of the total site for open space and recreation. Petitioner will provide the on-site infrastructure and utilities for the proposed development.

INCREMENTAL DISTRICTING

83. The Waikele project is designed to be completed over an eight (8) year time period. However, except for small areas on the outer fringes of the Property (15 acres of high density housing and some low and medium density housing), the Petitioner will complete some portions of development and complete installation of site improvements for the entire development within five (5) years.

Incremental districting may hinder the ability of the Petitioner to develop the necessary infrastructural improvements for all parts of the proposed development.

Ruling on Proposed Findings of Fact

Any of the proposed findings of fact submitted by the Petitioner or the other parties not adopted by the Commission herein, or rejected by clear contrary findings of fact herein, are hereby denied and rejected.

CONCLUSIONS OF LAW

Pursuant to Chapter 205, Hawaii Revised Statutes, as amended, and the Rules of Practice and Procedure and District

Regulations of the State Land Use Commission, the Commission finds upon a preponderance of the evidence that the reclassification of the Property, which is the subject of the Petition, Docket No. A85-594 by Amfac Property Development Corp., consisting approximately 577.21 acres of land from the Agricultural District to the Urban District at Aualii, Waikele, Ewa, Oahu, Hawaii, and identified as Oahu Tax Map Key Nos.: 9-4-02: 03, 10, 11, 31, 41 and portion of 12; 9-4-07: 10, 12, 13 and 32, for a planned residential community, subject to the conditions stated in the Order, conforms to the standards established in the State Land Use District Regulations, is reasonable and non-violative of Section 205-2, and the Hawaii State Plan, as set forth in Chapter 226, Hawaii Revised Statutes.

ORDER

IT IS HEREBY ORDERED that the Property, being the subject of the Petition in Docket No. A85-594 filed by Amfac Property Development Corp., consisting of approximately 577.21 acres, situate at Aualii, Waikele, Ewa, Oahu, Hawaii, and identified as Oahu Tax Map Keys: 9-4-02: 03, 10, 11, 31, 41 and portion of 12; 9-4-07: 10, 12, 13 and 32, and approximately identified on Exhibit A attached hereto and incorporated by reference herein, shall be and the same is hereby reclassified from the Agricultural District to the Urban District and the State Land Use District Boundaries are amended accordingly subject to the following conditions:

1. Petitioner shall provide housing opportunities for low and moderate income Hawaii residents by offering for sale or rent on a preferential basis, on its own or in cooperation with either or both the Hawaii Housing Authority or the City and County of Honolulu, a number of residential units equal to ten percent (10%) of the residential units to be developed on the Property to residents of the State of Hawaii of low and moderate income as determined by the Hawaii Housing Authority or the City and County of Honolulu from time to time. The preferential residential units shall be offered for sale at prices not exceeding prices that enable such purchasers to qualify for and obtain state-assisted financing, i.e. Act 105 or Hula Mae, or federally insured or assisted financing, i.e. FHA Section 245 Program, intended to encourage home ownership by low and moderate income families.

2. Petitioner shall design and construct the Paiwa Interchange to the H-1 Freeway and any improvements to Manager's Bridge and Kamehameha Highway to standards as required by the State Department of Transportation to accommodate additional traffic generated by the proposed development.

3. Petitioner shall create a buffer zone between lands remaining in pineapple cultivation to the north of the Property and the residential units on the Property to mitigate impacts between the existing agricultural activities and the proposed residential development.

4. Petitioner shall, by appropriate easement, covenant, or other release, disclose the potential negative impacts of agricultural activities adjacent to the Property to purchasers of residential lots developed on the Property.

5. Petitioner shall, in coordination with the State Department of Land and Natural Resources and the Honolulu Board of Water Supply, provide an adequate supply of water and the necessary transmission system to the Property. In the event water is not available from existing sources, Petitioner shall develop additional water sources, storage and transmission facilities as required by State and County agencies.

These conditions may be fully or partially released by the Commission as to all or any portion of the Property upon timely motion and the provision of adequate assurance of satisfaction of these conditions by the Petitioner.

DOCKET NO. A85-594 - AMFAC PROPERTY DEVELOPMENT CORPORATION

Done at Honolulu, Hawaii, this 28th day of February
1986, per motions on December 10, 1985 and January 15, 1986.

LAND USE COMMISSION
STATE OF HAWAII

By *J. Tacbian*
TEOFILO PHIL TACBIAN
Chairman and Commissioner

By *Frederick P. Whittemore*
FREDERICK P. WHITTEMORE
Vice Chairman and Commissioner

By *Toru Suzuki*
TORU SUZUKI
Commissioner

By *Robert S. Tamaye*
ROBERT S. TAMAYE
Commissioner

By *Richard B. F. Choy*
RICHARD B. F. CHOY
Commissioner

By *Winona E. Rubin*
WINONA E. RUBIN
Commissioner

By *William W. Yuen*
WILLIAM W. L. YUEN
Commissioner

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9-4-02:03, 10, 11, 31, 41 and)	
Portion of 12; 9-4-07:10, 12,)	
13, and 32)	

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Land Use Commission Decision and Order was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

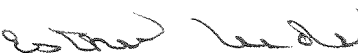
KENT M. KEITH, Director
Department of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

DONALD A. CLEGG, Chief Planning Officer
Department of General Planning
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Mililani/Waipio/Melemanu Neighborhood Board No. 25
P. O. Box 3116
Mililani, Hawaii 96789

DATED: Honolulu, Hawaii, this 28th day of February 1986.



ESTHER UEDA
Executive Officer

DOCKET NO. A85-594 - AMFAC PROPERTY DEVELOPMENT CORP.

A copy of the Land Use Commission's Decision and Order was served upon the following by regular mail on February 28, 1986.

EVERETT KANESHIGE, Deputy Attorney General
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Honolulu, Hawaii 96813

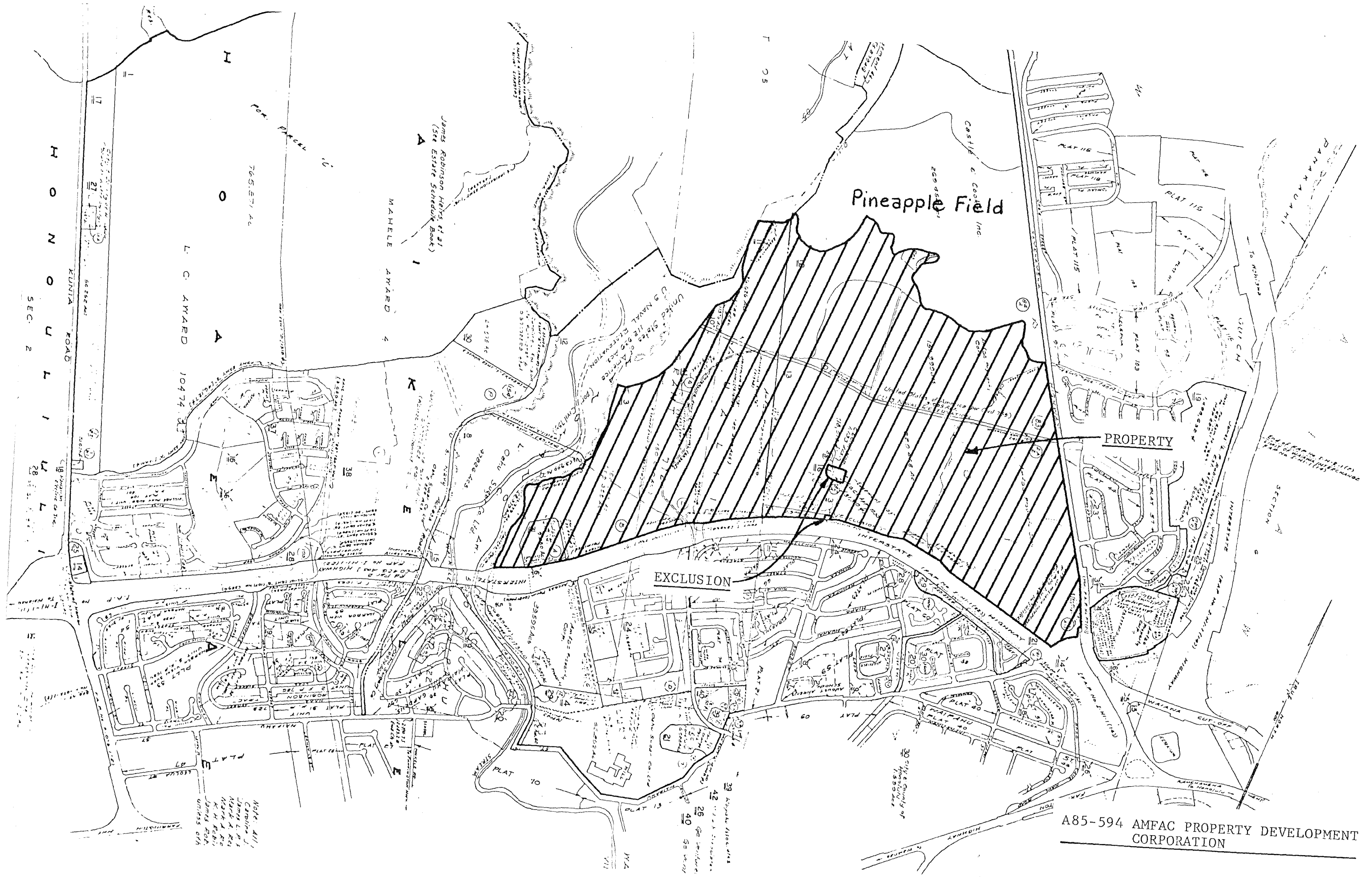
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A85-594 AMFAC PROPERTY DEVELOPMENT CORPORATION

AREA RECLASSIFIED TO THE URBAN DISTRICT

EXHIBIT A